

Agency Legislative Budget

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	710.60	6.25	3.62	720.47	7.25	(0.50)	717.35	717.35
Personal Services	31,871,085	3,482,932	397,587	35,751,604	3,584,417	268,619	35,724,121	71,475,725
Operating Expenses	14,781,805	3,498,757	1,041,594	19,322,156	(549,959)	466,835	14,698,681	34,020,837
Equipment	1,738,154	224,703	(32,869)	1,929,988	265,559	(50,487)	1,953,226	3,883,214
Capital Outlay	0	0	0	0	0	0	0	0
Benefits & Claims	893,436	0	0	893,436	0	0	893,436	1,786,872
Transfers	0	0	0	0	0	0	0	0
Debt Service	249,592	1,342,847	22,050	1,614,489	(67,153)	22,050	204,489	1,818,978
Total Costs	\$49,534,072	\$8,549,239	\$1,428,362	\$59,511,673	\$3,232,864	\$707,017	\$53,473,953	\$112,985,626
General Fund	18,497,606	2,069,495	741,804	21,308,905	1,601,934	664,511	20,764,051	42,072,956
State/Other Special	27,440,085	5,776,254	794,315	34,010,654	1,357,609	642,101	29,439,795	63,450,449
Federal Special	2,786,344	182,708	(420,257)	2,548,795	190,809	(1,124,595)	1,852,558	4,401,353
Proprietary	810,037	520,782	312,500	1,643,319	82,512	525,000	1,417,549	3,060,868
Total Funds	\$49,534,072	\$8,549,239	\$1,428,362	\$59,511,673	\$3,232,864	\$707,017	\$53,473,953	\$112,985,626

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Executive Budget Comparison

The following table compares the legislative budget for the 2007 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2004	Executive Budget Fiscal 2006	Legislative Budget Fiscal 2006	Leg – Exec. Difference Fiscal 2006	Executive Budget Fiscal 2007	Legislative Budget Fiscal 2007	Leg – Exec. Difference Fiscal 2007	Biennium Difference Fiscal 06-07
FTE	710.60	711.97	720.47	8.50	709.83	717.35	7.52	
Personal Services	31,871,085	35,219,096	35,751,604	532,508	35,205,378	35,724,121	518,743	1,051,251
Operating Expenses	14,781,805	18,454,869	19,322,156	867,287	14,305,307	14,698,681	393,374	1,260,661
Equipment	1,738,154	1,929,988	1,929,988	0	1,953,226	1,953,226	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Benefits & Claims	893,436	893,436	893,436	0	893,436	893,436	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	249,592	2,554,489	1,614,489	(940,000)	204,489	204,489	0	(940,000)
Total Costs	\$49,534,072	\$59,051,878	\$59,511,673	\$459,795	\$52,561,836	\$53,473,953	\$912,117	\$1,371,912
General Fund	18,497,606	21,276,103	21,308,905	32,802	19,702,668	20,764,051	1,061,383	1,094,185
State/Other Special	27,440,085	33,902,247	34,010,654	108,407	29,366,120	29,439,795	73,675	182,082
Federal Special	2,786,344	2,863,202	2,548,795	(314,407)	2,595,992	1,852,558	(743,434)	(1,057,841)
Proprietary	810,037	1,010,326	1,643,319	632,993	897,056	1,417,549	520,493	1,153,486
Total Funds	\$49,534,072	\$59,051,878	\$59,511,673	\$459,795	\$52,561,836	\$53,473,953	\$912,117	\$1,371,912

The legislative budget has 8.50 FTE in FY 2006 and 7.52 FTE in FY 2007 more than the executive budget. The legislative budget is \$0.5 million greater than the executive budget in FY 2006 and \$0.9 million greater than the executive budget in FY 2007. The major changes enacted by the legislature compared to the executive budget include:

- 2.00 FTE and general fund of \$101,180 in FY 2006 and \$95,138 in FY 2007 were approved in the motor vehicle division to support the Patriot Act

- 1.00 FTE and general fund of \$15,500 and federal funds of \$45,500 in each fiscal year were approved to support a Medicaid fraud agent and the fraud program
- 1.00 FTE and general fund of \$61,451 was approved for FY 2006 only to support the Miles City narcotics program
- 3.50 FTE in the Information Technology Division were approved and funded with state special revenue rather than general fund as was used in the 2005 biennium
- A reduction in rent was approved for the Gambling Control Division of \$15,540 in state special revenue and propriety funds in each fiscal year
- General fund of \$6,498 and federal funds of \$19,495 was approved for FY 2006 to support an increase in the base for the Medicaid Fraud Control Unit.
- A reduction was approved in the state special revenue appropriation for interest expense associated with HB 577 borrowings by \$0.1 million for the biennium
- A reduction was approved in the state special revenue appropriation for interest expense associated with HB 261 borrowings by \$0.8 million for the biennium
- A state special revenue appropriation of \$25,000 in each fiscal year was approved to fund the activities of a store at the Montana Law Enforcement Academy
- A base increase of \$42,000 in general fund for the department of criminal investigation was approved for FY 2006 only
- The legislature approved the request by Montana Association of Counties and certain county attorneys to increase the funding that the state contributes to the county attorney payroll by \$103,365 in FY 2006 and \$151,095 in FY 2007
- The legislature approved a fund switch to support the Montana drug task force. This action approved 1.00 FTE and general fund of \$754,995 in FY 2006 and 1.00 FTE and \$754,813 in FY2007, while decreasing state special revenue by \$85,229 in FY 2006 and \$85,194 in FY 2007, and decreasing federal funds by \$612,796 for FY 2006 and \$612,848 for FY 2007.
- The legislature approved \$250,000 in state special revenue in FY 2006 to implement the Criminal History and Identification system.
- The legislature approved \$409,480 in FY 2006 in federal funds to support the requirement that felons submit DNA samples.
- The legislature approved proprietary funds of \$262,500 in FY 2006 and \$525,000 in FY 2007 to support an enhanced web access portal to the motor vehicle system in accordance with the provisions of House Bill No. 671.
- The legislature approved 1.00 FTE and \$47,813 in FY 2006 and \$44,837 in FY 2007 to hire an auditor in the Department of Motor Vehicle to support the changes in motor vehicle laws as per the provisions of Senate Bill No. 285.

Agency Highlights

Department of Justice Major Budget Highlights	
◆	<p>The increase in general fund of \$5.1 million over the base budget is due to:</p> <ul style="list-style-type: none"> • Support for the Montana Drug Task Force of \$1.5 million that was previously funded with federal funds from the Byrne grant • License plate reissue of \$0.2 million • Increase in county attorney payroll of \$0.3 million • A net increase of 5.00 FTE and \$0.4 million to support increased workload in the Motor Vehicle Division, Highway Patrol, information technology, and drug enforcement and Medicaid fraud activities • Replacement vehicles in the Department of Criminal Investigation for \$0.2 million • \$0.6 million for 3.00 FTE in the Forensic Science Division • Statewide present law adjustments
◆	<p>Increases in state special funds of \$8.6 million over the base budget are due to:</p> <ul style="list-style-type: none"> • An increase of 3.50 FTE and \$0.4 million to support information technology efforts • Installation of the Automated Accounting and Reporting System of \$1.1 million • Interest on borrowed funds for the Motor Vehicle Division reengineering and automation project of \$1.3 million • Base adjustments in the Highway Patrol for \$2.0 million • Restoration of vacancy savings in the Highway Patrol for \$1.0 million • Law Enforcement Academy base adjustments of \$0.4 million • Statewide present law adjustments
◆	<p>A decrease of \$1.1 million in federal funds is mostly due to:</p> <ul style="list-style-type: none"> • The loss of the Byrne grant that funded the Montana drug task force of \$1.5 million • DNA samples required of felons of \$0.4 million

Funding

The following figure summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2007 Biennium Legislative Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
01 Legal Services Division	\$ 7,541,352	\$ 627,958	\$ 884,821	\$ -	\$ 9,054,131	8.01%
07 Gambling Control Division	-	5,332,398	-	2,087,568	7,419,966	6.57%
12 Motor Vehicle Division	11,267,919	8,874,916	-	837,500	20,980,335	18.57%
13 Highway Patrol Division	-	40,866,096	288,108	-	41,154,204	36.42%
18 Div. Of Criminal Investigation	7,355,714	2,993,666	2,474,928	-	12,824,308	11.35%
19 County Attorney Payroll	3,873,832	-	-	-	3,873,832	3.43%
28 Central Services Division	691,516	1,076,643	-	109,158	1,877,317	1.66%
29 Information Technology Service	5,833,386	3,072,364	161,617	26,642	9,094,009	8.05%
32 Forensic Science Division	5,509,237	606,408	591,879	-	6,707,524	5.94%
Grand Total	<u>\$ 42,072,956</u>	<u>\$ 63,450,449</u>	<u>\$ 4,401,353</u>	<u>\$ 3,060,868</u>	<u>\$ 112,985,626</u>	<u>100.00%</u>

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	50.00	0.00	0.00	50.00	0.00	0.00	50.00	50.00
Personal Services	2,722,749	191,097	0	2,913,846	189,006	0	2,911,755	5,825,601
Operating Expenses	881,923	37,855	0	919,778	(360,043)	0	521,880	1,441,658
Benefits & Claims	893,436	0	0	893,436	0	0	893,436	1,786,872
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$4,498,108	\$228,952	\$0	\$4,727,060	(\$171,037)	\$0	\$4,327,071	\$9,054,131
General Fund	3,695,876	275,197	0	3,971,073	(125,597)	0	3,570,279	7,541,352
State/Other Special	339,667	(26,133)	0	313,534	(25,243)	0	314,424	627,958
Federal Special	462,565	(20,112)	0	442,453	(20,197)	0	442,368	884,821
Total Funds	\$4,498,108	\$228,952	\$0	\$4,727,060	(\$171,037)	\$0	\$4,327,071	\$9,054,131

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Funding

This program is primarily funded with general fund.

State special funds are provided by the following entities:

- Montana State Fund pays for one attorney
- The Department of Fish Wildlife and Parks pays for about one-half of an attorney's salary
- The Gambling Control Division pays for two attorneys with gambling funds
- The gas tax pays for the services of one-half of an attorney's time to work on Highway Patrol and Motor Vehicle Division issues
- Antitrust fund revenues pay for antitrust expenditures
- Federal funds support one attorney that works on statewide drug cases and 25 percent of the funding for the Child Protection Unit.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----					-----Fiscal 2007-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				330,925					328,765	
Vacancy Savings				(117,938)					(117,869)	
Inflation/Deflation				(4,933)					(4,773)	
Fixed Costs				31,081					33,023	
Total Statewide Present Law Adjustments				\$239,135					\$239,146	
DP 111 - Major litigation biennial appropriation										
0.00	11,707		0	0	11,707	0.00	(388,293)	0	0	(388,293)
DP 112 - Exempt staff pay raise reduction										
0.00	(21,890)		0	0	(21,890)	0.00	(21,890)	0	0	(21,890)
Total Other Present Law Adjustments										
0.00	(\$10,183)		\$0	\$0	(\$10,183)	0.00	(\$410,183)	\$0	\$0	(\$410,183)
Grand Total All Present Law Adjustments				\$228,952					(\$171,037)	

DP 111 - Major litigation biennial appropriation - The legislature approved a biennial appropriation of \$400,000 for major litigation services for the 2007 biennium.

DP 112 - Exempt staff pay raise reduction - The legislature reduced funding for exempt staff pay raises awarded in the 2005 biennium to the FY 2004 base level.

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Proprietary Rates**Proprietary Program Description**

Agency Legal Services Bureau (ALSB) provides legal, hearing examiner, and investigative services to state agency clients on a contract basis. ALSB attorneys and investigators bill clients for their services and case-related and incidental costs. ALSB has 20 FTE funded from the revenues generated.

Statutory authority: The Attorney General is the legal officer for the state per Article VI, Section 4(4), Montana Constitution. Montana Code Annotated 2-4-611(2) provides that state agencies may request from the Attorney General's Office a hearing examiner in a contested case.

Alternate Sources: State agencies have the option to use in-house or private counsel and investigators to do the work provided by ALSB. Private law firms, however, typically charge considerably more per hour than ALSB, and ALSB attorneys and investigators have specific knowledge and experience that agencies find beneficial. According to Executive Order 5-93, agencies must receive approval from the Legal Services Review Committee (made up of a representative of the Attorney General, the Budget Director, and the Governor's Chief Legal Counsel) prior to contracting for outside legal services.

Customers Served: ALSB serves State of Montana agencies, boards, and commissions that have entered contracts with ALSB.

Proprietary Revenues and Expenses*Working Capital Discussion*

The objective of program management is to recover costs only to fund necessary, ongoing operations.

Fund Equity and Reserved Fund Balance

While there is no requirement that an excess fund balance be maintained, the program management seeks to build a limited capital reserve fund. Rates are influenced by the working capital necessary to maintain current operations.

Cash Flow Discussion

Cash flow into the program fluctuates depending on the volume of work in any given month, which can vary considerably.

Proprietary Rate Explanation

The legislature approved a rate increase for attorney services from \$71.80 per hour in FY 2006 to \$74.00 per hour in FY 2007. The legislature also approved a rate increase for investigator services (sometimes referred to as paralegal services) from \$39.80 per hour in FY 2005 to \$44.00 per hour in FY 2006 and to \$46.00 per hour in FY 2007.

These rates are based upon the amount of caseload expected to be accomplished by the agency and the actual costs to provide services.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	43.50	0.00	1.00	44.50	0.00	1.00	44.50	44.50
Personal Services	2,075,704	73,489	56,512	2,205,705	74,086	56,446	2,206,236	4,411,941
Operating Expenses	548,712	1,570,497	45,000	2,164,209	71,374	45,000	665,086	2,829,295
Equipment	85,062	0	0	85,062	0	0	85,062	170,124
Debt Service	4,303	0	0	4,303	0	0	4,303	8,606
Total Costs	\$2,713,781	\$1,643,986	\$101,512	\$4,459,279	\$145,460	\$101,446	\$2,960,687	\$7,419,966
General Fund	464	(464)	0	0	(464)	0	0	0
State/Other Special	1,929,137	1,167,560	101,512	3,198,209	103,606	101,446	2,134,189	5,332,398
Proprietary	784,180	476,890	0	1,261,070	42,318	0	826,498	2,087,568
Total Funds	\$2,713,781	\$1,643,986	\$101,512	\$4,459,279	\$145,460	\$101,446	\$2,960,687	\$7,419,966

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Legislative Budget Analysis, D-20

Funding

Primary funding for the Gambling Division comes from the revenues generated through licenses and permits for gambling operations, machines, and other gambling activities, as well as license fees for video gambling machine manufactures/distributors. As authorized in 23-5-612, MCA, revenues include 50 percent of the gambling machine permit fee (the other 50 percent goes to the local government) and 100 percent of the machine transfer-processing fee. By statute, the department is to charge \$200 for each video gambling machine permit and \$25 for each machine that transfers ownership. The revenues are deposited into the gambling license fee state special revenue account to be used to operate the division and other agency programs.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
	-----Fiscal 2006-----					-----Fiscal 2007-----			
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				167,969					168,590
Vacancy Savings				(89,749)					(89,773)
Inflation/Deflation				(5,451)					(5,450)
Fixed Costs				9,592					10,468
Total Statewide Present Law Adjustments				\$82,361					\$83,835
DP 3 - Enhancement of GCD Database and Business Processes									
0.00	0	1,065,000	0	1,500,000*	0.00	0	0	0	0
DP 4 - GCD Base Adjustments									
0.00	0	51,728	0	72,856*	0.00	0	51,728	0	72,856*
DP 71 - Exempt pay raise reduction									
0.00	0	(7,974)	0	(11,231)*	0.00	0	(7,974)	0	(11,231)*
Total Other Present Law Adjustments									
0.00	\$0	\$1,108,754	\$0	\$1,561,625*	0.00	\$0	\$43,754	\$0	\$61,625*
Grand Total All Present Law Adjustments				\$1,643,986*					\$145,460*

DP 3 - Enhancement of GCD Database and Business Processes - The legislature approved \$1.5 million in funding to reengineer certain business processes and implement new technology to improve service to taxpayers and licensees through an Automated Accounting and Reporting System (AARS). These improvements are intended to develop web entry and electronic payments of taxes and permit fees. This appropriation of \$1.5 million is biennial, restricted, and one-time-only and placed in FY 2006. The request is \$1,065,000 state special revenue and \$435,000 proprietary funds.

DP 4 - GCD Base Adjustments - The legislature approved an increase over base operating expenses to pay overtime to the technical services unit, annualize operating expenses for positions held vacant for all or part of the base year, provide authorization for out of country travel for the purpose of investigating license applications from foreign gambling machine manufactures, provide training to help in the conduct of investigations into illegal gambling, and provide for increases in rent expense to cover increases provided for in existing contracts.

DP 71 - Exempt pay raise reduction - The legislature reduced funding for exempt staff pay raises awarded in the 2005 biennium to the FY 2004 base level.

New Proposals

New Proposals										
	-----Fiscal 2006-----					-----Fiscal 2007-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Change Appropriation for Lab Machine Testing										
07	1.00	0	56,512	0	56,512	1.00	0	56,446	0	56,446
DP 6 - Request Authority To Pay ID Bureau										
07	0.00	0	45,000	0	45,000	0.00	0	45,000	0	45,000
Total	1.00	\$0	\$101,512	\$0	\$101,512*	1.00	\$0	\$101,446	\$0	\$101,446*

DP 5 - Change Appropriation for Lab Machine Testing - The legislature eliminated the statutory appropriation for the lab machine testing fees and transferred the position and related expense to the division's HB 2 appropriation. This is an appropriation of \$56,512 in FY 2006 and \$56,446 in FY 2007.

DP 6 - Request Authority To Pay ID Bureau - The legislature approved authority to pay the Identification Bureau to process fingerprint cards for license applicant background checks.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	151.00	2.00	2.00	155.00	2.00	2.00	155.00	155.00
Personal Services	4,510,760	662,927	69,593	5,243,280	660,604	69,514	5,240,878	10,484,158
Operating Expenses	3,898,236	73,737	366,830	4,338,803	(77,128)	570,480	4,391,588	8,730,391
Equipment	36,616	(3,801)	0	32,815	(28,801)	0	7,815	40,630
Capital Outlay	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	224,731	1,342,847	0	1,567,578	(67,153)	0	157,578	1,725,156
Total Costs	\$8,670,343	\$2,075,710	\$436,423	\$11,182,476	\$487,522	\$639,994	\$9,797,859	\$20,980,335
General Fund	4,925,852	687,947	116,575	5,730,374	504,047	107,646	5,537,545	11,267,919
State/Other Special	3,744,491	1,387,763	7,348	5,139,602	(16,525)	7,348	3,735,314	8,874,916
Proprietary	0	0	312,500	312,500	0	525,000	525,000	837,500
Total Funds	\$8,670,343	\$2,075,710	\$436,423	\$11,182,476	\$487,522	\$639,994	\$9,797,859	\$20,980,335

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Legislative Budget Analysis, D-25

Funding

The Motor Vehicle Division is supported by the general fund and state special funds. State special funds come primarily from the Highway State Special Revenue Account (HSSRA).

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				796,711					794,472	
Vacancy Savings				(212,308)					(212,196)	
Inflation/Deflation				(87,202)					(87,214)	
Fixed Costs				798					7,131	
Total Statewide Present Law Adjustments				\$497,999					\$502,193	
DP 8 - Base Adjustments MVD Field Operations Bureau	2.00	86,048	57,366	0	143,414	2.00	79,484	52,989	0	132,473
DP 10 - Base Adjustments for HB 577 Debt Payments	0.00	0	142,847	0	142,847	0.00	0	(67,153)	0	(67,153)
DP 11 - Required New General Issue License Plates - OTO	0.00	192,470	0	0	192,470	0.00	0	0	0	0
DP 36 - Base Adjustments MVD Title and Registration Bureau	0.00	41,198	27,465	0	68,663	0.00	53,815	35,877	0	89,692
DP 37 - Base Adjustments for HB 261 Debt Payments	0.00	0	1,200,000	0	1,200,000	0.00	0	0	0	0
DP 121 - Eliminate OTO Organ Donor Registry	0.00	0	(7,632)	0	(7,632)	0.00	0	(7,632)	0	(7,632)
DP 123 - HB261 One time backfill costs reduction	0.00	(40,205)	0	0	(40,205)	0.00	(40,205)	0	0	(40,205)
DP 124 - Field Ops - One-time-only expenditure reduction	0.00	(43,045)	0	0	(43,045)	0.00	(43,045)	0	0	(43,045)
DP 125 - Records/Drvs Control - one-time cost reduction	0.00	(28,801)	0	0	(28,801)	0.00	(28,801)	0	0	(28,801)
DP 126 - Title & Regis. - One-time expenditure reduction	0.00	(50,000)	0	0	(50,000)	0.00	(50,000)	0	0	(50,000)
Total Other Present Law Adjustments										
	2.00	\$157,665	\$1,420,046	\$0	\$1,577,711	2.00	(\$28,752)	\$14,081	\$0	(\$14,671)
Grand Total All Present Law Adjustments				\$2,075,710					\$487,522	

DP 8 - Base Adjustments MVD Field Operations Bureau - The legislature approved certain base budget adjustments in the Motor Vehicle Division – Field Operations Bureau, including 2.00 FTE as training and development specialists. The adjustment also includes funding for overtime, consulting services, computer processing, postage, rent vehicles repairs, and scanner maintenance contracts. The executive requested an increase to the base of \$143,414 for FY 2006 and \$132,473 for FY 2007.

DP 10 - Base Adjustments for HB 577 Debt Payments - The legislature approved budget authority for interest payments on borrowed funds related to the Motor Vehicle System, Phase One, Titling System project (MVD Project) as provided by HB 577 passed by the 2001 Legislature. The executive requested \$350,000 in state special revenue authority as a biennial appropriation in FY 2006; however, the legislature only approved a total of \$210,000, which includes \$67,153 in the base.

DP 11 - Required New General Issue License Plates - OTO - The legislature approved a one-time-only present law base adjustment of \$192,470 in general fund for FY 2006. Montana State Prison Industries will also incur additional one-time costs generated by the new general issue license plates. Revenues received from the sale of the plates will offset these production costs. Section 61-3-332(4)(b), MCA, requires the manufacture and issuance of new general issue motor vehicle license plates beginning January 1, 2006.

DP 36 - Base Adjustments MVD Title and Registration Bureau - The legislature approved certain base budget adjustments in the Motor Vehicle Division – Title and Registration Bureau. This decision package increases the base by \$68,663 in FY 2006 and \$89,692 in FY 2007.

DP 37 - Base Adjustments for HB 261 Debt Payments - The legislature approved authority for interest payments on borrowed funds related to the HB 261 funded Motor Vehicle System, Phase Two, Vehicle Registration and Driver Licensing/Driver Control System project. The executive requested \$2,000,000 in state special revenue authority as a biennial appropriation in FY 2006; however, the legislature only approved \$1,200,000.

DP 121 - Eliminate OTO Organ Donor Registry - The legislature approved the elimination of the FY 2004 one-time-only startup organ donor registry expenses. Ongoing costs for the monthly updates to the organ donor registry are included in the present law budget.

DP 123 - HB261 One time backfill costs reduction - The legislature approved the removal of \$40,205 general fund from the base in FY 2006 and FY 2007 for funds to pay a contractor for supporting the HB 261 project. This project is the reengineering of processes and the installation of new technology in the motor vehicle titling and registration area. In FY 2004 the project hired contractors to support the project. For the 2007 biennium the positions are budgeted in HB 2 so contractor expenditures are not necessary.

DP 124 - Field Ops - One-time-only expenditure reduction - The legislature approved the removal of \$43,045 general fund in FY 2006 and FY 2007 for remodeling of the Billings driver licensing facility in FY 2004. This amount carried over to FY 2006 and FY 2007 because the remodeling was done in the base year. These remodeling costs were one-time-only expenses that can be removed from the base as prior general fund expenditures.

DP 125 - Records/Drvs Control - one-time cost reduction - The legislature approved the removal of \$28,801 general fund in each of FY 2006 and FY 2007. These funds were in the FY 2004 base and used for a one-time purchase of modular workstations for a work area in the Records and Drivers Control Bureau.

DP 126 - Title & Regis. - One-time expenditure reduction - The legislature approved a reduction of \$50,000 general fund in each of FY 2006 and FY 2007 for the purchase of additional postage in the base year FY 2004. This purchase was to insure that an adequate amount of postage would be available for the next fiscal year and was a one-time-only expenditure for FY 2004. The 2007 biennium contains a postage request considered adequate for this period.

New Proposals

New Proposals										
Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 12 - MV Proprietary Account Spending Authority										
12	0.00									
		0		0	50,000*	0.00	0	0	0	0
DP 127 - Statewide FTE Reduction										
12	(1.00)	(32,418)		0	(32,418)	(1.00)	(32,329)		0	(32,329)
DP 306 - Patriot Act Support										
12	2.00	101,180		0	101,180	2.00	95,138		0	95,138
DP 326 - Fleet Transfer from DOT										
12	0.00	0	7,348	0	7,348	0.00	0	7,348	0	7,348
DP 328 - HB 671 Proprietary										
12	0.00	0		0	262,500*	0.00	0		0	525,000*
DP 329 - Senate Bill 285 Auditor										
12	1.00	47,813		0	47,813	1.00	44,837		0	44,837
Total	2.00	\$116,575	\$7,348	\$0	\$436,423*	2.00	\$107,646	\$7,348	\$0	\$639,994*

DP 12 - MV Proprietary Account Spending Authority - The legislature approved authority for proprietary funds to cover the cost of development, maintenance, and distribution of information in the state's motor vehicle and driver licensing database applications. This authorization was biennial and for \$50,000. The 2003 Legislature passed HB 767, which revised the laws governing the release of information amending 61-11-105, MCA. This statute provides for a convenience fee and allows for the use of a point of entry for electronic government services.

DP 127 - Statewide FTE Reduction - The legislature approved the continuance of a 2003 session HB 2 directive to lessen general funded personal services. The reduction is for 1.00 FTE that was in the drivers rehabilitation program.

DP 306 - Patriot Act Support - The legislature approved 2.00 FTE and \$101,180 general fund for FY 2006 and 2.00 FTE and \$95,138 general fund for FY 2007 to support Patriot Act efforts. One FTE will provide an audit of internal activities to assure that the department is in conformity with federal laws. One FTE will staff a help desk to assist the public with Patriot Act issues.

DP 326 - Fleet Transfer from DOT - The legislature approved the transfer of the fleet vehicle registration responsibilities from the Department of Transportation to the Department of Justice as per the provisions of House Bill No. 87. This decision package transfers the base level funding and new state special funds of \$7,348 in each fiscal year of the biennium.

DP 328 - HB 671 Proprietary - The legislature approved proprietary funds of \$262,500 in FY 2006 and \$525,000 in FY 2007 to support operating costs for an enhanced motor vehicle web portal that allows 3rd party users to access the system.

DP 329 - Senate Bill 285 Auditor - The legislature approved 1.00 FTE and general fund of \$47,813 in FY 2006 and 1.00 FTE and general fund of \$44,837 in FY 2007 to support an audit position in the Department of Motor Vehicle. This position will work with the new provisions of Senate Bill No. 282 that streamlines the motor vehicle registration process.

Language

The legislature approved the following language for inclusion in HB2:

"The legislature approved the attorney general's request for 2 FTE and general fund money of \$101,180 in fiscal year 2006 and \$95,138 in fiscal year 2007 to support the Patriot Act. These FTE will provide auditing and public contact services regarding issues surrounding the Patriot Act. This approval is contingent upon a current level fund transfer by the department and verified by the budget director."

"If House Bill No. 87 is not passed and approved, Motor Vehicle Division is reduced by \$7,348 in state special revenue in fiscal year 2006 and \$7,348 in state special revenue in fiscal year 2007."

"Revising Motor Vehicle Laws - - HB 671 is contingent upon passage and approval of House Bill No. 671."

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	274.55	0.00	(7.38)	267.17	0.00	(10.50)	264.05	264.05
Personal Services	13,566,678	822,355	(133,226)	14,255,807	824,079	(199,496)	14,191,261	28,447,068
Operating Expenses	4,636,800	1,470,047	(240,937)	5,865,910	(506,689)	(333,981)	3,796,130	9,662,040
Equipment	1,379,551	168,504	(49,626)	1,498,429	234,360	(67,244)	1,546,667	3,045,096
Total Costs	\$19,583,029	\$2,460,906	(\$423,789)	\$21,620,146	\$551,750	(\$600,721)	\$19,534,058	\$41,154,204
State/Other Special	18,718,765	2,330,804	282,469	21,332,038	435,240	380,053	19,534,058	40,866,096
Federal Special	864,264	130,102	(706,258)	288,108	116,510	(980,774)	0	288,108
Total Funds	\$19,583,029	\$2,460,906	(\$423,789)	\$21,620,146	\$551,750	(\$600,721)	\$19,534,058	\$41,154,204

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Funding

The Highway Patrol Division is funded primarily from the highways state special revenue account, which receives most of its revenue from fuel taxes and gross vehicle weight (GVW) fees. The Motor Carrier Safety Assistance Program is funded with 85 percent federal funds from the U.S. Department of Transportation, combined with 15 percent state match. Although the actual requirement is 20 percent, utilizing highway patrol officers to conduct truck inspections for the federal government provides 5 percent of the match required. The remainder comes from highways state special revenue funds.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				599,624					601,405	
Vacancy Savings				(566,650)					(566,707)	
Inflation/Deflation				(33,759)					(33,798)	
Fixed Costs				51,632					51,872	
Total Statewide Present Law Adjustments				\$50,847					\$52,772	
DP 13 - Base Adjustment MHP Operations										
0.00	0	923,143	0	923,143	0.00	0	1,017,204	0	1,017,204	
DP 14 - Base Adjustments MCSAP										
0.00	0	22,129	388,517	410,646	0.00	0	18,769	375,077	393,846	
DP 38 - Base Adjustment Recruit School										
0.00	0	21,083	0	21,083	0.00	0	21,083	0	21,083	
DP 131 - Exempt staff pay raise reduction										
0.00	0	(9,903)	0	(9,903)	0.00	0	(9,903)	0	(9,903)	
DP 132 - Biennial appropriation for prisoner per diem										
0.00	0	1,065,090	0	1,065,090	0.00	0	(923,252)	0	(923,252)	
Total Other Present Law Adjustments										
0.00	\$0	\$2,021,542	\$388,517	\$2,410,059	0.00	\$0	\$123,901	\$375,077	\$498,978	
Grand Total All Present Law Adjustments				\$2,460,906					\$551,750	

DP 13 - Base Adjustment MHP Operations - The legislature approved an increase of \$923,143 in FY 2006 and \$1,017,204 in FY 2007 for a number of adjustments including overtime, gasoline, rent, maintenance contracts, and vehicle replacement. This budget supports the uniformed officers in seven districts, officers and support staff in the Helena headquarters, the aircraft unit, radio technicians, and the communication center in Helena.

DP 14 - Base Adjustments MCSAP - The legislature approved an increase of \$410,646 in FY 2006 and \$393,846 in FY 2007 for the Motor Carrier Safety Assistance Program (MCSAP) budget for a number of adjustments, including overtime, consulting and professional services, and travel and training, and computer replacement. Personnel perform inspections and enforce federal and state regulations regarding hazardous material and safety for inter-state and intra-state commercial motor carriers.

DP 38 - Base Adjustment Recruit School - The legislature approved an increase of \$21,083 in FY 2006 and \$21,083 in FY 2007 for the Recruit Training School budget for a number of adjustments that include overtime, differential pay, and travel. The HPD conducts an annual Recruit Training School to train the new recruits to fill vacancies. Training consists of 16 weeks of on-campus training and eight weeks of field training.

DP 131 - Exempt staff pay raise reduction - The legislature reduced funding for exempt staff pay raises awarded in the 2005 biennium to the FY 2004 base level.

DP 132 - Biennial appropriation for prisoner per diem - The legislature approved a biennial appropriation for prisoner per diem. This is the cost the HPD pays to board prisoners in the county detention facilities. The cost per day is negotiated in contracts by the Department of Corrections with each county. The HPD spent \$923,252 for prisoner per diem in FY 2004. This request assumes costs will increase by 3 percent per year for a total of \$1,988,342 for the biennium or an increase of \$1,065,090 (\$1,988,342 less base of \$923,252 = \$1,065,090) above the base for the biennium.

New Proposals

New Proposals										
-----Fiscal 2006-----						-----Fiscal 2007-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 15 - MCSAP New Entrant Program										
13	2.00	0	0	158,065	158,065	2.00	0	0	104,270	104,270
DP 135 - Restore Vacancy Savings for Patrol Officers (Requires Legislation)										
13	0.00	0	407,283	0	407,283	0.00	0	543,074	0	543,074
DP 136 - Transfer MCSAP Program to Dept of Transportation (Requires Legislation)										
13	(9.38)	0	(124,814)	(864,323)	(989,137)	(12.50)	0	(163,021)	(1,085,044)	(1,248,065)
Total	(7.38)	\$0	\$282,469	(\$706,258)	(\$423,789)*	(10.50)	\$0	\$380,053	(\$980,774)	(\$600,721)*

DP 15 - MCSAP New Entrant Program - The legislature approved an appropriation for \$158,065 in FY 2006 and \$104,270 in FY 2007 for the Motor Carrier Safety Assistance Program (MCSAP). Section personnel perform inspections and enforce adherence to federal and state regulations regarding hazardous material and safety by inter-state and intra-state commercial motor carriers. The Federal Highway Administration has authorized MCSAP funds to be used for the New Entrant Program that provides new commercial motor vehicle companies with assistance in setting up driver education and commercial vehicle safety programs. This program is not part of the current program as listed in DP 136 below. There is no required federal match for this program.

DP 135 - Restore Vacancy Savings for Patrol Officers (Requires Legislation) - The legislature approved restoration of vacancy savings in the Highway Patrol Division. HB 35, requested by the State Administration and Veterans' Affairs Interim Committee, would statutorily exempt the Montana Highway Patrol from vacancy savings. This decision package is contingent on the passage and approval of both HB 35 and a bill that transfers the Motor Carriers Safety Assistance Program (MCSAP) to the Department of Transportation.

DP 136 - Transfer MCSAP Program to Dept of Transportation (Requires Legislation) - The legislature, in HB 2, approved the transfer of the MCSAP program from the Department of Justice to the Department of Transportation. This transfer would consolidate all commercial motor vehicle regulation functions in one group. This move would be effective Oct 1, 2005 and is contingent on the passage and approval of legislation to authorize this transfer.

Language

The legislature approved the following language for inclusion in HB2:

“If House Bill No. 102 is not passed and approved, there is appropriated up to \$1,200,000 each fiscal year from the highway patrol retirement clearing account to the department for payments to the Montana highway patrol pension fund”.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	77.50	(4.00)	8.00	81.50	(3.00)	7.00	81.50	81.50
Personal Services	3,075,309	603,078	404,708	4,083,095	660,753	342,155	4,078,217	8,161,312
Operating Expenses	1,693,910	284,260	211,221	2,189,391	314,489	185,336	2,193,735	4,383,126
Equipment	25,136	60,000	16,757	101,893	60,000	16,757	101,893	203,786
Debt Service	15,992	0	22,050	38,042	0	22,050	38,042	76,084
Total Costs	\$4,810,347	\$947,338	\$654,736	\$6,412,421	\$1,035,242	\$566,298	\$6,411,887	\$12,824,308
General Fund	2,639,892	189,398	838,444	3,667,734	277,775	770,313	3,687,980	7,355,714
State/Other Special	884,362	683,836	(60,229)	1,507,969	661,529	(60,194)	1,485,697	2,993,666
Federal Special	1,286,093	74,104	(123,479)	1,236,718	95,938	(143,821)	1,238,210	2,474,928
Total Funds	\$4,810,347	\$947,338	\$654,736	\$6,412,421	\$1,035,242	\$566,298	\$6,411,887	\$12,824,308

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Funding

The Fire Prevention and Investigation Bureau, and general criminal investigation are primarily funded by the general fund. The general fund is also used to match welfare and Medicaid fraud investigations. General fund supports the eastern narcotics investigation effort and provides match for the western effort. Federal funds are the major source of funding for the western narcotic investigation efforts. The Montana State Fund supports state fund fraud investigations and prosecutions.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				933,465					929,121
Vacancy Savings				(160,353)					(160,179)
Inflation/Deflation				7,865					5,197
Fixed Costs				18,287					20,625
Total Statewide Present Law Adjustments				\$799,264					\$794,764
DP 18 - Montana Law Enforcement Academy Base Adjustment									
0.00	0	180,530	0	180,530	0.00	0	180,530	0	180,530
DP 19 - One Narcotics Regional Agent in Charge -Miles City									
0.00	0	0	0	0	1.00	61,451	0	0	61,451
DP 20 - Reinstate vehicle replacement program									
0.00	75,578	20,000	0	95,578	0.00	97,032	0	0	97,032
DP 21 - Medicaid Fraud Program - COLA									
0.00	0	0	0	0	0.00	7,276	0	21,829	29,105
DP 22 - Present Law Base Adjustment for Division									
0.00	0	0	0	0	0.00	42,000	0	0	42,000
DP 181 - Decrease FTE due to lack of funding									
(4.00)	0	0	(170,034)	(170,034)	(4.00)	0	0	(169,640)	(169,640)
DP 312 - Base Adjustment for Division									
0.00	42,000	0	0	42,000	0.00	0	0	0	0
Total Other Present Law Adjustments									
(4.00)	\$117,578	\$200,530	(\$170,034)	\$148,074	(3.00)	\$207,759	\$180,530	(\$147,811)	\$240,478
Grand Total All Present Law Adjustments				\$947,338					\$1,035,242

DP 18 - Montana Law Enforcement Academy Base Adjustment - The legislature approved \$361,060 of state special revenue authority for the biennium to raise the spending authority of the Montana Law Enforcement Academy (MLEA) to that level appropriated in FY 2004. Spending in the base year was much less than was appropriated due to the cash shortage in the new MLEA surcharge account.

DP 19 - One Narcotics Regional Agent in Charge -Miles City - The legislature approved \$61,451 of general fund and 1.00 FTE in FY 2007 to fund a supervisor in the division's Miles City narcotics office - the Eastern Montana Drug Task Force. The Eastern Montana Drug Task Force (EMDTF) is a grant-funded operation located in Miles City, Montana, consisting of one supervisor, one administrative support staff, and three local law enforcement agents. The task force represents a partnership between local and state law enforcement entities and is funded through local and federal funds. The EMDTF Regional Agent in Charge (RAC) is currently staffed with an agent position "borrowed" from the Billings narcotics team. This effectively reduces the staff in Billings by one agent position. This addition provides the EMDTF with its own RAC position, so that the "borrowed" agent position can return to Billings, and adds state support of this currently local and federal government funded team.

DP 20 - Reinstate vehicle replacement program - The legislature approved \$172,610 of general fund and \$20,000 of state special revenue authority for the biennium to reinstate the division's vehicle replacement program. This addition allows the division to purchase six vehicles over the biennium (1 for the workers compensation fraud investigator and 5 for narcotics investigators), and lease 4 pickup trucks for the deputy state fire marshals and 3 sedans for general investigators.

DP 21 - Medicaid Fraud Program - COLA - The legislature approved \$29,105 in FY 2007, \$7,276 of general fund and \$21,829 of federal special revenue authority, to pay for increases in the present law base of the Medicaid Fraud Control Unit. Each year, the Medicaid Fraud grant allows for a 5 percent cost-of-living adjustment. The Medicaid Fraud Control Unit is funded 25 percent from the general fund and 75 percent from federal funds.

DP 22 - Present Law Base Adjustment for Division - The legislature approved \$42,000 of general fund in FY 2007 for miscellaneous increases to the present law base of the division. Increases are for: 1) cost-of-living increases for the Narcotics Bureau; 2) cost-of-living increases for the Investigations Bureau; and 3) funding of continuing Amber Alert

expenditures. The Amber Alert program was established with a one-time appropriation to create the program in Montana. This request provides a small amount of funding for continuing operating costs of this program.

DP 181 - Decrease FTE due to lack of funding - The legislature approved a reduction of 4.00 FTE that were funded with federal special revenue authority. The division has no federal funding for these positions.

DP 312 - Base Adjustment for Division - The legislature approved an increase of \$42,000 of general fund in FY 2006 for miscellaneous increases to the present law base of the division. Increases are for: 1) cost-of-living increases for the Narcotics Bureau; 2) cost-of-living increases for the Investigations Bureau; and 3) funding of continuing Amber Alert expenditures. The Amber Alert program was established with a one-time appropriation to create the program in Montana.

New Proposals

New Proposals										
-----Fiscal 2006-----						-----Fiscal 2007-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 16 - Funding Authority - Homeland Security										
18	5.00	0	0	423,322	423,322	5.00	0	0	422,527	422,527
DP 308 - MLEA Store										
18	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000
DP 309 - Miles City - NARC Regional Agent										
18	1.00	61,451	0	0	61,451	0.00	0	0	0	0
DP 310 - Medicaid Fraud Program II - COLA										
18	0.00	6,498	0	19,495	25,993	0.00	0	0	0	0
DP 311 - Medicaid Fraud Agent										
18	1.00	15,500	0	46,500	62,000	1.00	15,500	0	46,500	62,000
DP 313 - Drug Task Force										
18	1.00	754,995	(85,229)	(612,796)	56,970	1.00	754,813	(85,194)	(612,848)	56,771
Total	8.00	\$838,444	(\$60,229)	(\$123,479)	\$654,736*	7.00	\$770,313	(\$60,194)	(\$143,821)	\$566,298*

DP 16 - Funding Authority - Homeland Security - The legislature approved \$845,849 of federal special revenue authority and 5.00 FTE for the biennium to allow for the continuation of the Homeland Security efforts now underway. Funding authority was provided to continue the Memorandum of Understanding with Department of Military Affairs, Disaster and Emergency Services, for the Homeland Security program.

DP 308 - MLEA Store - The legislature approved an appropriation of \$50,000 for a store at the Montana Law Enforcement Academy. This appropriation is for proprietary funds. The store would purchase items for resale to the students at the academy.

DP 309 - Miles City - NARC Regional Agent - The legislature approved \$61,451 of general fund and 1.00 FTE in FY 2006 to fund a supervisor in the division's Miles City narcotics office - the Eastern Montana Drug Task Force. The Eastern Montana Drug Task Force (EMDTF) is a grant-funded operation located in Miles City, Montana, consisting of one supervisor, one administrative support, and three local law enforcement agents. The task force represents a partnership between local and state law enforcement entities and is funded through local and federal funds. The EMDTF Regional Agent in Charge (RAC) is currently staffed with an agent position "borrowed" from the Billings narcotics team. This effectively reduces the staff in Billings by one agent position. This proposal provides the EMDTF with its own RAC position, so that the "borrowed" agent position can return to Billings. This request would add state support of this currently local and federal government funded team.

DP 310 - Medicaid Fraud Program II - COLA - The legislature approved \$25,993 in FY 2006, \$6,498 of general fund and \$19,495 of federal special revenue authority, to pay for increases in the base of the Medicaid Fraud Control Unit. Each year, the Medicaid Fraud grant allows for a 5 percent cost-of-living adjustment. The Medicaid Fraud Control Unit is funded 25 percent from the general fund and 75 percent from federal funds.

DP 311 - Medicaid Fraud Agent - The legislature approved an appropriation for 1.00 FTE and \$15,500 of general fund and \$46,500 of federal funds for FY 2006 and 1.00 FTE and \$15,500 of general fund and \$46,500 of federal funds for FY 2007 to support the Medicaid fraud control unit. This unit investigates provider fraud of the Medicaid system, elder abuse, and elder exploitation at the request of local law enforcement, the health care community, and concerned citizens. Increases in workload have resulted in the need for an additional agent. The program is funded 75 percent with federal funds and 25 percent general fund.

DP 313 - Drug Task Force - The legislature approved a general fund appropriation for 1.00 FTE and \$754,995 in FY 2006 and 1.00 FTE and \$754,813 in FY 2007 for the Montana Drug Task Force. The legislature also approved a reduction in state special revenue of \$85,229 in FY 2006 and \$85,194 in FY 2007 as well as a reduction in federal funds of \$612,796 for FY 2006 and \$612,848 for FY 2007. In the 2005 biennium the Division of Criminal Investigation (DCI) received 75 percent of its funding for drug task forces from the Montana Board of Crime Control through the Byrne Grant program. DCI operates grant-funded drug task forces in Butte, Great Falls, Havre and Miles City. This federal funding also funds one attorney position in the Attorney General's Office and two forensic chemist positions in the Forensic Science Division.

The Montana Board of Crime Control recently announced that there will be a major reduction in Byrne funding in FY 2006. To keep seventeen state employees engaged in drug enforcement activities the legislature approved that this program be funded from the general fund for the 2007 biennium.

Language

The legislature approved the following language for inclusion in HB2:

"The legislature approved the attorney general's request for 1 FTE and general fund money of \$61,451 in fiscal year 2006 to support the Miles City narcotics program. This approval is contingent upon a current level fund transfer by the department and verified by the budget director.

The legislature approved the attorney general's request for \$6,498 in general fund money and \$19,495 in federal funds in fiscal year 2006 to support the medicaid fraud program. This approval is contingent upon passage and approval of House Bill No. 102.

The legislature approved the attorney general's request for 1 FTE and \$15,500 of general fund money and \$46,500 in federal funds in fiscal year 2006 and \$15,500 of general fund money and \$46,500 in federal funds in fiscal year 2007 to support a medicaid fraud agent and the fraud program. This approval is contingent upon passage and approval of House Bill No. 102.

The legislature approved the attorney general's request for \$42,000 in general fund money in fiscal year 2006 to support the department of criminal investigation's base budget. This approval is contingent upon passage and approval of House Bill No. 102. "

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	21.55	0.00	0.00	21.55	0.00	0.00	21.55	21.55
Personal Services	1,739,734	172,854	0	1,912,588	221,510	0	1,961,244	3,873,832
Total Costs	\$1,739,734	\$172,854	\$0	\$1,912,588	\$221,510	\$0	\$1,961,244	\$3,873,832
General Fund	1,739,734	172,854	0	1,912,588	221,510	0	1,961,244	3,873,832
Total Funds	\$1,739,734	\$172,854	\$0	\$1,912,588	\$221,510	\$0	\$1,961,244	\$3,873,832

Page Reference

Legislative Budget Analysis, D-45

Funding

This program is entirely funded by the general fund, as required by 7-4-2502, MCA.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				6,489					7,415
Total Statewide Present Law Adjustments				\$6,489					\$7,415
DP 23 - County Attorney Pay - State Share	0.00	63,000	0	0	63,000	0.00	63,000	0	0
DP 318 - County Attorney Payroll - increase	0.00	103,365	0	0	103,365	0.00	151,095	0	0
Total Other Present Law Adjustments	0.00	\$166,365	\$0	\$0	\$166,365	0.00	\$214,095	\$0	\$0
Grand Total All Present Law Adjustments				\$172,854					\$221,510

DP 23 - County Attorney Pay - State Share - The legislature approved \$63,000 in FY 2006 and \$63,000 in FY 2007 for the state's share of County Attorney pay.

DP 318 - County Attorney Payroll - increase - The legislature approved an increase over and above the amount approved by the executive of \$103,365 in FY 2006 and \$151,095 in FY 2007 for the state's share of County Attorney pay. This amount is to adjust the base amount to pay approximately 50 percent of county attorneys' salaries and benefits.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	16.00	0.00	0.00	16.00	0.00	0.00	16.00	16.00
Personal Services	678,804	98,743	0	777,547	98,502	0	777,306	1,554,853
Operating Expenses	141,963	49,964	0	191,927	(11,426)	0	130,537	322,464
Total Costs	\$820,767	\$148,707	\$0	\$969,474	\$87,076	\$0	\$907,843	\$1,877,317
General Fund	344,241	13,227	0	357,468	(10,193)	0	334,048	691,516
State/Other Special	457,189	98,389	0	555,578	63,876	0	521,065	1,076,643
Proprietary	19,337	37,091	0	56,428	33,393	0	52,730	109,158
Total Funds	\$820,767	\$148,707	\$0	\$969,474	\$87,076	\$0	\$907,843	\$1,877,317

Page Reference

Legislative Budget Analysis, D-47

Funding

The Central Services Division is funded by an allocation from the four major funds that support the Department of Justice, in proportion to the total budgeted costs. These funds are the general fund, the gas tax, the gambling tax, and other miscellaneous funds.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----					-----Fiscal 2007-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				140,305						140,054
Vacancy Savings				(32,765)						(32,755)
Inflation/Deflation				(833)						(832)
Fixed Costs				50,797						(10,594)
Total Statewide Present Law Adjustments				\$157,504						\$95,873
DP 283 - Exempt staff pay raise reduction										
	0.00	(3,255)	(5,014)	0	(8,797)*	0.00	(3,255)	(5,014)	0	(8,797)*
Total Other Present Law Adjustments										
	0.00	(\$3,255)	(\$5,014)	\$0	(\$8,797)*	0.00	(\$3,255)	(\$5,014)	\$0	(\$8,797)*
Grand Total All Present Law Adjustments				\$148,707*						\$87,076*

DP 283 - Exempt staff pay raise reduction - The legislature reduced funding for exempt staff pay raises awarded in the 2005 biennium to the FY 2004 base level.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	51.00	3.00	0.00	54.00	3.00	0.00	54.00	54.00
Personal Services	1,963,099	456,378	0	2,419,477	454,640	0	2,417,739	4,837,216
Operating Expenses	1,919,431	(50,496)	250,000	2,118,935	(47,545)	0	1,871,886	3,990,821
Equipment	132,986	0	0	132,986	0	0	132,986	265,972
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$4,015,516	\$405,882	\$250,000	\$4,671,398	\$407,095	\$0	\$4,422,611	\$9,094,009
General Fund	2,862,503	267,367	(213,215)	2,916,655	267,676	(213,448)	2,916,731	5,833,386
State/Other Special	1,063,270	134,035	463,215	1,660,520	135,126	213,448	1,411,844	3,072,364
Federal Special	83,223	(2,321)	0	80,902	(2,508)	0	80,715	161,617
Proprietary	6,520	6,801	0	13,321	6,801	0	13,321	26,642
Total Funds	\$4,015,516	\$405,882	\$250,000	\$4,671,398	\$407,095	\$0	\$4,422,611	\$9,094,009

Page Reference

Legislative Budget Analysis, D-49

Funding

General fund is the primary funding source for the division. Fees generated by the criminal justice information network (CJIN) partially support the operating costs of the CJIN network, as do some federal funds.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments											
-----Fiscal 2006-----					-----Fiscal 2007-----						
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds		
Personal Services				555,340						553,452	
Vacancy Savings				(100,742)						(100,661)	
Inflation/Deflation				(4,171)						(4,149)	
Fixed Costs				31,602						34,531	
Total Statewide Present Law Adjustments				\$482,029							\$483,173
DP 24 - Security and Disaster Recovery Officer FTE											
1.00		0	62,969	0	62,969	1.00	0	62,870	0	62,870	
DP 25 - Programmer/Analyst FTE											
1.00		0	0	0	0	1.00	0	0	0	0	
DP 26 - Data Base Analyst for FileNet											
1.00		0	0	0	0	1.00	0	0	0	0	
DP 27 - Business Systems Analyst FTE											
1.00		0	0	0	0	1.00	0	0	0	0	
DP 28 - Systems Production Support and Maintenance FTE											
1.00		0	0	0	0	1.00	0	0	0	0	
DP 29 - FBI Background Check Passthru Authority											
0.00		0	70,000	0	70,000	0.00	0	70,000	0	70,000	
DP 291 - Eliminate Positions Where Federal Funding was Lost											
(2.00)		0	0	(61,189)	(61,189)	(2.00)	0	0	(61,021)	(61,021)	
DP 292 - HB261 Backfill Contract - One time only reduction											
0.00		(147,927)	0	0	(147,927)	0.00	(147,927)	0	0	(147,927)	
Total Other Present Law Adjustments											
3.00		(\$147,927)	\$132,969	(\$61,189)	(\$76,147)	3.00	(\$147,927)	\$132,870	(\$61,021)	(\$76,078)	
Grand Total All Present Law Adjustments				\$405,882							\$407,095

DP 24 - Security and Disaster Recovery Officer FTE - The legislature approved 1.00 FTE and state special revenue for a security and disaster recovery officer. This FTE would be responsible for directing the information technology security program. The tasks of this position would include developing, implementing, and maturing of security on all DOJ information technology systems in order to centrally manage physical access, access to systems, educating users of individual responsibilities, and minimizing the possibility of malicious access.

DP 25 - Programmer/Analyst FTE - The legislature approved 1.00 FTE as a Motor Vehicle Division programmer/analyst. This function is currently being accomplished by a contract employee and is funded under contract services. There is no net change in cost.

DP 26 - Data Base Analyst for FileNet - The legislature approved 1.00 FTE as a database administrator. This function is currently being accomplished by a contract employee and is funded under contract services. This FTE would maintain custom DOJ databases and platforms in a FileNet environment.

DP 27 - Business Systems Analyst FTE - The legislature approved 1.00 FTE as a business systems analyst. This function is currently being accomplished by a contract employee and is funded under contract services. There is no net change in cost.

DP 28 - Systems Production Support and Maintenance FTE - The legislature approved 1.00 FTE for a systems production support and maintenance employee beginning in FY 2006, utilizing current level funding from contracted services with a net zero request for spending authority. This requires a transfer of funds from contract services to personal services.

DP 29 - FBI Background Check Passthru Authority - The legislature approved additional pass-through spending authority required to transfer monies owed to the FBI when fingerprint background checks are conducted by the FBI on behalf of the Department of Justice, Criminal Justice Information Services Bureau. This increase is based on current experience in this area and industry trends. Fingerprinting is increasing due to security needs.

DP 291 - Eliminate Positions Where Federal Funding was Lost - The legislature approved elimination of two positions that were funded from a federal grant that has since expired. These FTE were providing background checks and this process had been automated.

DP 292 - HB261 Backfill Contract - One time only reduction - The legislature approved a reduction in each year of the biennium for several positions in ITSD that were hired to backfill for the HB 261 project.

New Proposals

New Proposals										
Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 293 - Statewide FTE Reduction										
29	(3.50)	(213,215)	0	0	(213,215)	(3.52)	(213,448)	0	0	(213,448)
DP 316 - Reinstate statewide FTE reduction										
29	3.50	0	213,215	0	213,215	3.52	0	213,448	0	213,448
DP 325 - Criminal History Data Coordination										
29	0.00	0	250,000	0	250,000	0.00	0	0	0	0
Total	0.00	(\$213,215)	\$463,215	\$0	\$250,000*	0.00	(\$213,448)	\$213,448	\$0	\$0*

DP 293 - Statewide FTE Reduction - The legislature approved an FTE reduction to make permanent a personal services reduction made by the 2003 Legislature.

DP 316 - Reinstate statewide FTE reduction - The legislature approved an increase to reinstate DP 293 with state special revenue.

DP 325 - Criminal History Data Coordination - The legislature approved restricted, biennial and one-time-only state special revenue of \$250,000 in FY 2006 to support the Criminal History and Identification process. The Information Technology Services Division is performing this process.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	25.50	5.25	0.00	30.75	5.25	0.00	30.75	30.75
Personal Services	1,538,248	402,011	0	1,940,259	401,237	0	1,939,485	3,879,744
Operating Expenses	1,060,830	62,893	409,480	1,533,203	67,009	0	1,127,839	2,661,042
Equipment	78,803	0	0	78,803	0	0	78,803	157,606
Debt Service	4,566	0	0	4,566	0	0	4,566	9,132
Total Costs	\$2,682,447	\$464,904	\$409,480	\$3,556,831	\$468,246	\$0	\$3,150,693	\$6,707,524
General Fund	2,289,044	463,969	0	2,753,013	467,180	0	2,756,224	5,509,237
State/Other Special	303,204	0	0	303,204	0	0	303,204	606,408
Federal Special	90,199	935	409,480	500,614	1,066	0	91,265	591,879
Total Funds	\$2,682,447	\$464,904	\$409,480	\$3,556,831	\$468,246	\$0	\$3,150,693	\$6,707,524

Page Reference

Legislative Budget Analysis, D-53

Funding

The Forensic Science Division is funded primarily from the general fund. The division receives approximately \$300,000 annually from the earmarked alcohol tax for laboratory testing and intoxilizer equipment repair, which is done at the lab in support of the DUI Enforcement Program. Federal funds are used to fund certain lab positions.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				101,145					101,867
Vacancy Savings				(65,576)					(65,603)
Inflation/Deflation				(2,143)					(2,083)
Fixed Costs				24,861					25,907
Total Statewide Present Law Adjustments				\$58,287					\$60,088
DP 30 - Base Adjustment-Annualize Rent									
0.00	31,145		0	0	31,145	0.00	31,145	0	0
DP 31 - Forensic Scientist - Chemist									
1.00	61,503		0	0	61,503	1.00	61,430	0	0
DP 32 - Forensic Science - Serologist/DNA									
1.00	61,503		0	0	61,503	1.00	61,430	0	0
DP 34 - Forensic Scientist - Toxicologist									
0.00	0		0	0	0	1.00	61,430	0	0
DP 35 - Forensic Pathologist									
1.00	158,495		0	0	158,495	1.00	158,649	0	0
DP 111 - Support Forensic Science Lab									
3.00	140,000		0	0	140,000	2.00	80,000	0	0
DP 321 - FTE reduction due to lack of federal funding									
(0.75)	0		0	(37,230)	(37,230)	(0.75)	0	0	(37,127)
DP 322 - Exempt staff pay raise reduction									
0.00	(8,799)		0	0	(8,799)	0.00	(8,799)	0	0
Total Other Present Law Adjustments									
5.25	\$443,847		\$0	(\$37,230)	\$406,617	5.25	\$445,285	\$0	(\$37,127)
Grand Total All Present Law Adjustments					\$464,904				\$468,246

DP 30 - Base Adjustment-Annualize Rent - The legislature approved an increase for the lease that provides office space for the forensic laboratory in Missoula. The lease is for 31,145 sq. ft and the increase is \$1.00 per sq. ft. The Forensic Science Division leases space from a private vendor.

DP 31 - Forensic Scientist - Chemist - The legislature approved 1.00 FTE as a chemist. This FTE would keep the current number of chemists at four, as this FTE would replace with general fund a position that is currently funded with federal funds that expire on June 30, 2005. This section analyzes solid dosage drugs submitted by law enforcement. Examples include illegal street drugs, substances from clandestine laboratories, prescription drugs, product tampering cases, and animal poisoning cases. This section also analyzes gun shot residue, paint, ignitable liquids, explosives and filament.

DP 32 - Forensic Science - Serologist/DNA - The legislature approved 1.00 FTE serologist/DNA. This position would keep the current number of serologists at four, as it changes the funding of 1.00 FTE to general fund from the current federal funds, which expire on June 30, 2005. This section of the laboratory provides the forensic analysis of biological evidence for the law enforcement agencies of Montana. The Serology/DNA section of the laboratory identifies probative biological fluids and develops DNA profiles that identify the source of the fluid.

DP 34 - Forensic Scientist - Toxicologist - The legislature approved 1.00 FTE as a toxicologist. This section of the laboratory analyzes biological specimens submitted by law enforcement, correctional agencies, county coroners, and forensic pathologists. Some of the primary duties of this section include establishing the cause or clarifying the circumstances of death through a post-mortem investigation and confirming the presence or absence of alcohol and/or drugs in corrections programs submissions and in DUI cases.

DP 35 - Forensic Pathologist - The legislature approved 1.00 FTE for a pathologist associate medical examiner to address the increased number of autopsies conducted at the lab. A forensic pathologist is responsible for determining the cause and manner of sudden unexpected deaths, or deaths unattended by a physician. The pathologist performs forensic autopsies, collects evidence to be analyzed by other scientists in the laboratory, serves as an advisor to the coroners throughout Montana, and reviews all coroners' reports on deaths occurring in the state. The forensic pathologist also assists investigators and scientists with crime scene reconstruction.

DP 111 - Support Forensic Science Lab - The legislature approved 3.00 FTE in FY 2006 and 2.00 FTE in FY 2007. The positions would work to reduce the backlog in the forensic lab and to address increases in caseload.

DP 321 - FTE reduction due to lack of federal funding - The legislature approved a 0.75 FTE reduction, as the department did not receive the federal funding necessary to maintain the position.

DP 322 - Exempt staff pay raise reduction - The legislature reduced funding for exempt staff pay raises awarded in the 2005 biennium to the FY 2004 base level.

New Proposals

New Proposals										
Program	FTE	-----Fiscal 2006-----				-----Fiscal 2007-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 327 - DNA Felons Federal Funds										
32	0.00	0	0	0	409,480	409,480	0.00	0	0	0
Total	0.00	\$0	\$0	\$0	\$409,480	\$409,480*	0.00	\$0	\$0	\$0*

DP 327 - DNA Felons Federal Funds - The legislature approved a biennial appropriation for \$409,480 in federal funds to contract with the Forensic DNA labs for analysis of DNA samples of convicted felons as per the provisions of House Bill No. 113.

Language

The legislature approved the following language for inclusion in HB2:

"The department shall prepare an economic analysis that compares the value of a purchase by the state versus the continued lease by the state of the forensic lab facility located in Missoula. The department shall present this analysis to the legislative finance committee at its first meeting following July 1, 2005."